

Message Text

LIMITED OFFICIAL USE

PAGE 01 EC BRU 00266 132011Z

62

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-07

FRB-01 INR-07 NSAE-00 RSC-01 CIEP-01 SP-02 STR-01

TRSE-00 LAB-04 SIL-01 SAM-01 OMB-01 PA-01 USIA-06

PRS-01 /054 W

----- 013641

R 131930Z JAN 75

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 8097

INFO ALL EC CAPITALS 225

LIMITED OFFICIAL USE EC BRUSSELS 0266

E.O. 11652: N/A

TAGS: ECON, EIND, ELAB, EEC

SUBJECT: EC COORDINATION OF REGIONAL AID PROGRAMS

REFS: A) LONDON 16677

B) EC BRUSSELS 9746

1. ON JANUARY 8, WE SPOKE WITH CONTACTS IN THE EC COMMISSION AND BRITISH PERMANENT DELEGATION REGARDING CURRENT COMMISSION EFFORTS TO DEVELOP GUIDELINES FOR THE COORDINATION OF NATIONAL REGIONAL AID PROGRAMS. THE SUBJECT IS OF SOME IMPORTANCE BECAUSE THE UK IS OPPOSED TO GUIDELINES WHICH WOULD FORCE SIGNIFICANT CHANGES IN THE UK'S REGIONAL DEVELOPMENT PROGRAM AND IS AN ISSUE IN UK RENEGOTIATION (SEE REFTTEL A). THE GUIDELINES WOULD INFORM MEMBER STATES IN ADVANCE OF AID CONSIDERED BY THE COMMISSION COMPATIBLE WITH ART. 92 OF THE ROME TREATY. THEY WOULD, AMONG OTHER THINGS, SPELL OUT THE PERCENTAGE OF AID THAT COULD BE GRANTED TO SPECIFIC PROJECTS IN GIVEN REGIONS WITHIN THE MEMBER STATES AND THE TYPES OF AID SCHEMES CONSIDERED COMPATIBLE WITH THE TREATY.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 EC BRU 00266 132011Z

2. PIERRE MATHIJSEN, THE EC COMMISSION DIRECTOR

RESPONSIBLE FOR STATE AIDS, HAS SENT A VERY PRELIMINARY WORKING PAPER SETTING OUT COMMISSION IDEAS TO OFFICIALS IN THE MEMBER STATES IN ORDER TO GET THEIR REACTIONS AND WILL BE MEETING WITH THEM OVER THE NEXT FEW WEEKS. BECAUSE OF THE PRELIMINARY NATURE OF THE PAPER, OUR BRITISH PERM REP CONTACT HARDLY CONSIDERED IT THE "POTENTIALLY EXPLOSIVE REPORT" DESCRIBED BY THE "GURADIAN" ON DECEMBER 20, ALTHOUGH HE ADMITTED THAT THE COMMISSION IDEAS POSED PROBLEMS FOR THE UK, AND HARD NEGOTIATIONS COULD BE EXPECTED. HE ALSO SAID THAT THE PRINCIPLE OF THE COMMISSION APPLYING ARTICLE 92 TO BRITISH REGIONAL AID PROGRAM WAS NOT AT ISSUE AND THAT FOREIGN SECRETARY CALLAGHAN HAD AGREED THAT A SYSTEM OF COORDINATION OF MEMBER STATE REGIONAL AID POLICIES WAS NECESSARY. THE DIFFICULTIES WILL ARISE OVER THE SUBSTANCE OF THE GUIDELINES.

3. OUR COMMISSION CONTACT NOTED THAT THE COMMISSION HAS ALWAYS MADE A SHARP DISTINCTION BETWEEN AID TO INVESTMENTS AND AID TO OPERATIONS AND DID NOT CONSIDER THE LATTER TYPE AS AN APPROPRIATE FORM OF REGIONAL AID. HE SAID THE BRITISH REGIONAL AID SCHEME PROVIDES CONTINUING AID TO COMPANIES FOR EACH PERSON EMPLOYED, I.E., A FORM OF AID TO OPERATIONS. NEVERTHELESS, HE GAVE THE IMPRESSION THAT THE COMMISSION WAS ONLY FEELING ITS WAY AND WAS NOT TAKING HARD POSITIONS AT THIS TIME. GREENWALD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, ECONOMIC AGREEMENTS, NEGOTIATIONS, FOREIGN ASSISTANCE PROGRAMS, REGIONAL ORGANIZATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 13 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975ECBRU00266
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750013-0187
From: EC BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750158/aaaabypa.tel
Line Count: 88
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 LONDON 16677
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 09 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 APR 2003 by MartinML>; APPROVED <10 APR 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EC COORDINATION OF REGIONAL AID PROGRAMS
TAGS: ECON, EIND, ELAB, UK, EEC, (MATHIJSEN, PIERRE)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006